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1. ECONOMIC INDICATORS

UK

- GDP growth has been revised down to 0.7% in the latest quarter from 0.8% previously published. GDP in the third quarter of 2010 is now 2.7% higher than the third quarter of 2009.
- CPI annual inflation was 3.3% in November 2010, up from 3.2% in October.
- Year on year, output of the Service sector for October 2010 rose 1.9% compared with October 2009.
- Year on year, overall production output in October 2010 was 3.3% higher than in October 2009.
- Total manufacturing output increased by 5.8% in October 2010 compared to the same month a year ago.
- Output price annual inflation for all manufactured products rose 3.9% in November 2010.
- In August 2010 to October 2010, the number of visits by overseas residents to the UK fell by 1% to 7.5 million, when compared with the previous three months. Associated spending by overseas residents on visits to the UK fell by 9% to £4.2 billion. Over the same period, the number of visits abroad by UK residents fell by 1% to 14.0 million, while associated spending fell by 1% to £7.8 billion.
- The employment rate for those aged from 16 to 64 for the three months to October 2010 was 70.6%, down 0.1 on the quarter. The unemployment rate for the three months to October 2010 was 7.9%, up 0.1 on the quarter.
- Average earnings growth including bonuses increased in the year to October 2010, from the September rate of 2.1% to 2.2% in October 2010. Growth in average earnings excluding bonuses (regular pay) also increased from the September 2010 rate of 2.2% to 2.3% in October 2010.

- Year on year, the volume of retail sales in November was 1.1% higher than in November 2009.
- During the 12 months to October 2010, the number of visits by overseas residents to the UK remained broadly the same when compared with the 12 months to October 2009, at 29.6 million. In the 12-month period to October 2010, the number of visits abroad by UK residents fell by 8% when compared with the 12 months to October 2009, from 59.8 to 55.3 million – a drop of 4.5 million.
- Business investment for the third quarter of 2010 was estimated to be 3.1% higher than the previous quarter. Business investment for the third quarter of 2010 was estimated to be 8.9% higher than the same period last year.
- The overall profitability of UK private non-financial corporations in the third quarter of 2010 was 11.9%, higher than the revised estimate of 11.6% recorded in the previous quarter. Annually, the average net rate of return in 2009 was 11.3%, compared with the 2008 estimate of 14.3%.
- The UK's deficit on trade in goods and services was £3.9 billion in October 2010, compared with a deficit of £3.8 billion in September (originally published as a deficit of £4.6 billion).
- The UK current account recorded a deficit of £9.6 billion in the third quarter of 2010, increased from a revised deficit of £5.2 billion (originally published as a deficit of £7.4 billion) in the previous quarter.
- UK earnings on investment abroad decreased by £3.2 billion to £43.0 billion. Foreign earnings on investment in the UK fell by £0.8 billion to £35.5 billion.

For previously released UK economic indicators visit National Statistics <http://www.statistics.gov.uk/default.asp>

LONDON

- London's annual growth in output increased to 2.4% in Q2 2010 from an upwardly revised -0.1% in Q1 2010.
- London's annual employment growth increased to 0.3% in Q2 2010 from a downwardly revised -1.8% in Q1 2010.
- Annual house price inflation in London decreased to 11.9% in Q3 2010 from 16.2% in Q2 2010.
- The percentage of the resident working age population who are unemployed and claiming Jobseeker's Allowance in London was 4.0% in November 2010. There were 216,300 unemployment claimants in London in November 2010 compared with an upwardly revised 215,400 in October.
- The Purchasing Managers' Index (PMI) of business activity recorded 54.6 in November 2010 compared to 54.7 in October 2010.
- The PMI for new orders for London firms recorded 54.9 in November 2010 compared to 53.1 in October 2010.
- The PMI for level of employment in London firms was 50.3 in November 2010 compared to 49.4 in October 2010.
- The RICS survey shows a negative net balance of -32 for London house prices over the past three months to November 2010.
- The net house price expectations balance in London was -28

in November 2010.

- For Greater London the consumer confidence score decreased to -20 in December 2010 from -15 in November 2010.
- The moving average annual rate of growth in passenger journeys increased to 1.6% from 1.4% in the previous period.

US

- Real gross domestic product (GDP) grew at an annual rate of 2.6% in the third quarter of 2010. This follows a 1.7% growth rate in the second quarter.
- Personal income increased \$57.6 billion, or 0.5%, and disposable personal income (DPI) increased \$48.3 billion, or 0.4%, in October 2010.
- The U.S. current account deficit increased to \$127.2 billion, or 3.5% of GDP in the third quarter of 2010, up from \$123.2 billion in the second quarter of 2010, or 3.4% of GDP.
- The U.S. international trade deficit shrank 13.2% from September to October 2010, to -\$38.7 billion. Exports grew 3.2%, to \$158.7 billion, while imports declined 0.5%, to \$197.4 billion.

For previously released US economic indicators visit US Bureau of Economic Analysis (BEA) <http://www.bea.gov/index.htm>

NY

- Private employment rose by 14,600 in October 2010, after a decrease of 20,700 jobs in September. (Source: New York State Dept. of Labor)
- The unemployment rate fell to 9.2% in October from 9.3% in September 2010. (Source: New York State Dept. of Labor)
- The Manhattan hotel occupancy rate in October 2010 was 88.7%, down from 89.5% in October 2009. (Source: New York State Dept. of Labor)
- In November 2010, the Manhattan Class A direct vacancy rate fell to 8.8% from 8.9% in October 2010. The average rental rate rose \$1 PSF to \$65 PSF. (Source: Cushman and Wakefield)
- In November 2010, the Midtown South Class A direct vacancy rate remained at 5.6% and the rental rate rose to \$57 PSF. (Source: Cushman and Wakefield)
- The Manhattan Class A sublease vacancy rate remained at 2.8% between October and November. (Source: Cushman and Wakefield)
- For the four months ending October 2010: Building projects (including new, additions and alterations) that started construction in NYC declined by 23.1% and, infrastructure (non-building) project starts fell by 22.3% from the four months ending October 2009. (Source: McGraw Hill Construction)
- Planned space for building project starts decreased 23.6% from the same period in 2009. (Source: McGraw Hill Construction)
- 619 residential building projects with 1,723 units of housing started construction, declines of 12.2% and 57.2% respectively from the previous year. (Source: McGraw Hill Construction)
- Total Broadway attendance was 802,258 during the three weeks ending November 28, 2010, an 8.5% increase from the same period last year. Broadway revenue during this period was

roughly \$70.4 million, a 6.8% increase from last year. (Source: The Broadway League)

- In September 2010, 8.6 million passengers flew into and out of the region's airports, an increase of 4.1% from September 2009. (Source: Port Authority of New York and New Jersey)

- Domestic air carriers accounted for 5.6 million passengers, a 2.9% increase from the same month last year. (Source: Port Authority of New York and New Jersey)

- 3.0 million passengers traveled with international air carriers in September 2010, a 6.2% increase from September 2009. (Source: Port Authority of New York and New Jersey)

- In October 2010 the average daily hotel room rate was \$302, a 7.7% increase from October 2009. (Source: PKF Consulting)

- The average daily hotel room rate increased the most in higher-priced hotels (charging over \$425 per night). (Source: PKF Consulting)

- Total ridership on MTA subways, trains and buses in October 2010 was 231.7 million, a decrease of 1.1% from October 2009. In October 2010, subway ridership was 142.0 million, an increase of 0.8% from October 2009. (Source: Metropolitan Transportation Authority)

2. INVESTMENT INDICATORS

UK Investment Position: Third Quarter 2010

The UK surplus on direct investment income was £15.5 billion in Q3 2010, up £0.1 billion on the previous quarter. UK earnings on direct investment abroad were £23.1 billion in the latest period, down from £24.8 billion in Q2 2010.

Portfolio investment income recorded a deficit of £4.8 billion in Q3 2010, following a deficit of £1.5 billion in the previous quarter. UK earnings on portfolio investment abroad fell by £1.5 billion in Q3 2010, to £11.2 billion. Foreign earnings on portfolio investment in the UK rose by £1.7 billion in the latest quarter, to £16.0 billion.

The deficit on earnings from other investment decreased by £0.9 billion to £3.2 billion in the latest period. UK earnings on other investment abroad were £8.1 billion, little changed from previous quarter. Foreign earnings on other investment in the UK were £11.3 billion, a fall of £0.9 billion from the previous quarter.

The financial account showed a net inflow (inward investment) of £9.3 billion in Q3 2010 compared with a net outflow of £5.8 billion in the previous quarter. There was investment abroad of £140.3 billion in the latest quarter, following investment of £73.1 billion in Q2 2010. There was investment in the UK of £149.6 billion in Q3 2010, following investment of £67.3 billion in the previous quarter.

Direct investment recorded net outward investment of £5.0 billion in the latest quarter compared with net outward investment of £14.5 billion in the previous quarter.

Direct investment abroad showed investment of £13.8 billion in

Q3 2010, compared with net investment of £9.5 billion in the previous quarter. Direct investment into the UK switched to investment of £8.7 billion in Q3 2010 from disinvestment of £5.0 billion in the previous quarter.

Portfolio investment in Q3 2010 decreased to a net inflow of £15.6 billion compared with a net inflow of £32.6 billion in the previous quarter.

Portfolio investment abroad showed investment of £65.9 billion in Q3 2010, following disinvestment of £28.3 billion in the previous quarter. Portfolio investment in the UK recorded investment of £81.5 billion in Q3 2010, compared with investment of £4.3 billion in Q2.

Other investment in the latest quarter recorded net outflows of £5.0 billion compared with net outflows of £36.8 billion in the previous quarter

Other investment abroad recorded investment of £64.4 billion in Q3 2010, following investment of £104.7 billion in Q2. Other investment in the UK fell to £59.4 billion in Q3 2010, compared with £68.0 billion in Q2.

The UK international investment position showed net external liabilities of £185.2 billion at the end of the Q3 2010 compared with net external liabilities of £166.0 billion at the end of the previous quarter. UK assets abroad increased by £334.4 billion from the end of the second quarter of 2010 to a level of £9,907.7 billion at the end of the third quarter. UK liabilities increased by £353.6 billion over the same period to a level of £10,092.8 billion.

US Investment Position: Third Quarter 2010

In Q3 2010, Income receipts on U.S.-owned assets abroad increased to \$164.7 billion from \$163.1 billion. Income payments on foreign-owned assets in the United States increased to \$121.6 billion from \$118.0 billion.

Net financial inflows were \$181.6 billion in Q3 2010, up from \$31.0 billion in Q2.

US owned assets abroad increased \$324.5 billion in the third quarter, following an increase of \$141.2 in the second. Foreign-owned assets in the United States increased \$506.1 billion in the third quarter, following an increase of \$162.1 billion in the second.

U.S. direct investment abroad was \$83.1 billion in the third quarter, up from \$72.5 billion in the second quarter. Foreign direct investment in the United States was \$70.5 billion in the third quarter, following investment of \$18.0 billion in the second.

3. NEW INVESTMENTS

US Investments into the UK

Hansen Medical Opens New HQ in UK

Hansen Medical, Inc., a global leader in flexible robotics and the developer of robotic technology for accurate 3D control of catheter movement, announced the opening of its new European headquarters in London that will serve as the hub for its commercial, training and physician support activities for its business outside the U.S., including the planned launch next year of the company's currently investigational flexible catheter vascular robotic system. The London location, which is a short train ride from Heathrow Airport, was chosen because it is easily accessible from anywhere in Europe and is near several hospitals where the Hansen robotic technology is currently used in a growing number of procedures. The 3,300-square-foot center is located on Eastbourne Terrace, directly across from Paddington Station in Central London.

Hansen Medical, 800 East Middlefield Road, Mountain View, CA 94043 Tel: 650 404 5800 Fax: 650 404 5901 Email: info@hansenmedical.com Website: www.hansenmedical.com
Hansen Medical UK Ltd. 30 Eastbourne Terrace, Paddington, London W2 6LE Telephone: +44 207 393 1900 Fax: +44 207 393 1929

Adobe to Open Data Center in UK

California-based software company Adobe Systems Incorporated has announced that it is opening a new data center in the UK to serve its Omniture Business Unit customers. The facility will be located just outside of London and will reach customers in Europe, the Middle East and Africa. It will boast faster processing and improved application usability and performance, as well as greater localized data storage capabilities. The data center is currently being constructed and is expected to open to new customers in the first quarter of 2011. Migration of existing customers will occur in the second half of the year. Company spokesman Brad Rencher said: "This new data center will serve our growing list of international customers and is aligned with our commitment to be compliant with changing privacy and data collection standards." Adobe Systems was founded in 1982 and was incorporated in 1983 in California.

Adobe Systems Incorporated, Corporate Headquarters, 345 Park Avenue, San Jose, CA 95110-2704 Tel: 408 536 6000 Fax: 408 537 6000 Website: www.adobe.com
Adobe Systems Europe Ltd, 3 Roundwood Avenue, Stockley Park, Uxbridge UB11 1AY Tel: +44 0 208 606 1100 Fax: +44 0 208 606 4004

Gen-Probe to Open New Headquarters in UK

California-based biotech company Gen-Probe Inc is to build a £5 million European headquarters in Manchester, UK. Gen-Probe is looking to expand its business in Europe and said Manchester is the best location for its new site due to the city's infrastructure and human resources. The company, which has a £340 million turnover, already has a site at Innovation House in Wythenshawe, which it plans to build from 11,000 square feet to 60,000 square feet. The new facility will focus on the manufacture of women's health products and genetic disease testing products for the

international market. A laboratory suite will also be built to provide the pharmaceutical and academic sectors with genetic research services.

Gen-Probe Incorporated, 10210 Genetic Center Drive, San Diego, CA 92121 Tel: 858 410 8000 Website: www.gen-probe.com
Gen-Probe, Heron House, Oaks Business Park, Crewe Rd., Wythenshawe, Manchester, M23 9HZ Tel: +44 0161 946 2200, Fax: +44 0161 946 2211

inContact Opens London Office

Utah-based inContact, the market leader in on-demand call center software and call center agent optimization tools, announced the expansion of its operations into Europe by opening a London office. inContact will support sales and operations in Western, Central and Eastern Europe with its office in the Lloyd's of London Building in London's financial district. Industry veteran Gregory Wright, Vice President of Sales, EMEA, will head up sales efforts in Europe, replicating the successful partner model used by inContact in the U.S. by working with existing strategic partners in Europe, as well as developing additional go-to-market partners to expand the company's reach.

inContact, Inc. HQ, 7730 South Union Park Avenue, Suite 500, Salt Lake City, UT 84047 Tel: 801 320 3200 Email:

info@incontact.com Website: www.incontact.com

Incontact, European HQ, Lloyd's Building, 4th Floor, 12 Leadenhall Street, London EC3V 1LP Tel: +44 0207 816 5926

TraderTools Opens London Office

New York-based TraderTools which provides the only complete, integrated FX trading platform available on the market, announced that it has recently established a representative office in London to better support its customers in England and throughout Europe. The company also announced the hiring of three new executives: Senior Sales Executive, John Barratt, will be based out of the London office. Senior Customer Relationship Manager, Lisa Thorn, will also be based out of the London office. Customer Relationship Manager, Christine Anthanasiou, will be based out of the New York office.

TraderTools, 630 Fifth Avenue, Suite 2109, New York, NY 10111-2195 Tel: 212 333 3770 Fax: 212 333 3790 Email:

info@tradertools.com Website: www.tradertools.com

TraderTools, 35 New Broad St., London EC2M 1NH Tel: +44 207 194 7769

UK Investments into the US

Naked Communications Expands U.S. Operations

Naked Communications, the brand strategy and communications planning consultancy, announced the company's first U.S. expansion since opening its New York office in 2006. Media luminaries Lisa Seward Perry and Amy Sheil have joined Naked as partners, and will be based in a new Naked Americas office in Minneapolis. Expanding Naked Communications' influence across

the Americas, the duo will build upon Naked's reputation as a catalyst for change in the marketing industry. The addition of Seward Perry and Sheil boosts Naked's credentials, broadening the company's strategic expertise and geographic coverage, and furthering Naked's commitment to providing smart, objective 21st Century communications solutions. The geographic and leadership expansion also serves to help Naked attract clients and industry talent in new markets.

Naked Communications, 159-173 St John Street, London, EC1V 4QJ Telephone: +44 20 7336 8084 Website:

www.nakedcomms.com

Naked Communications, 96 Greene Street, New York, NY 10012

Tel: 212 625 3082 Website: www.houseofnaked.com

I2BF Opens New York Office

I2BF, the international clean technology asset management group, has further strengthened its presence in the US by opening an office in New York through its wholly-owned subsidiary I2BF, LLC. I2BF also has offices in London and Moscow, with an office planned in Dubai, reflecting the global reach of the company and its investment philosophy. David Waserstein, Director of Investments, will head up I2BF, LLC and its New York office, with an aim to provide local support for I2BF's efforts with both prominent investors, and breakthrough technology companies in the Americas.

I2BF, 3 Queen Street, Mayfair, London W1J 5PR Tel: +44 (0) 20 3405 1974 Fax: +44 0) 20 7491 3613 Email: info@i2bf.com

Website: www.i2bf.com

I2BF, Suite 600, 110 Greene Street, New York, NY 10012 Tel: 212 226 7320 Email: info@i2bf.com Website: www.i2bf.com

4. TRADE SHOWS

UK

February 18-19, 2011 - The Franchise Show - ExCel London

Website: <http://www.thefranchiseshow.co.uk/>

Come see hundreds of exhibitors and attend dozens of free seminars designed for potential franchisees, those looking to franchise their business, as well as franchisors.

Contact: Marcella Marcheso, Commercial Specialist Tel: +44 (0)20 7894 0419

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US

February 24-26, 2011 - Graphics of the Americas (GOA) 2011 - Orlando, FL

Website: <http://www.graphicsoftheamericas.com>

GOA is the premier Exposition and Conference for the printing and publishing industry in North, Central and South America and the Caribbean.

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